



February 10, 2003

To: Members, Water Use Efficiency Subcommittee
From: Scott McCreary and Bennett Brooks, CONCUR
Re: Summary: January 17, 2003, WUE Subcommittee Meeting
Cc: Tom Gohring, Water Use Efficiency Program Manager

Below is a brief discussion summary of the Water Use Efficiency (WUE) Subcommittee meeting held January 17, 2003, in Sacramento. This memorandum is divided into five sections: (1) Background; (2) Participation; (3) Meeting Materials; (4) Discussion Summary; and, (5) Next Steps.

I. BACKGROUND

The WUE Subcommittee meeting was convened on January 17, 2003 by the California Bay-Delta Authority (Authority) and facilitated by CONCUR, Inc. The primary purpose of the meeting was to be briefed by the Department of Water Resources on its WUE-related initiatives and funding. Other topics included: updates on CALFED's approach to defining appropriate water use measurement (both ag and urban); final review of the WUE Implementation Funding Principles; and, an update on the California Urban Water Conservation Council's work related to urban certification.

II. PARTICIPATION

The following subcommittee members or designated alternates participated in the meeting, either in person or via teleconference: Co-chairs David Guy and Frances Spivy-Weber, Mary Ann Dickinson, Chris Dundon, Lloyd Fryer, Richard Harris, John Hewitt, Joe Lima, Ed Osann, Michael Stanley-Jones and Mike Wade. CALFED Agency participants included Alemi Manucher with DWR, Lucille Billingsley with USBR, Jim Bennett with SWRCB, and Luana Kiger with NRCS.

Also in attendance were the following Authority staff and facilitation support members: WUE Program Manager Tom Gohring; consultants Jack Keller, Mark Roberson and David Mitchell; staffer Hilda Smith; and Scott McCreary and Bennett Brooks, with CONCUR.

Finally, about 10 members of the public attended the meeting.

III. MEETING MATERIALS

The following meeting materials were developed and distributed to support the WUE Subcommittee's deliberations:

In advance:

- Agenda/Discussion Notes
- Attachment 1: Overview of WUE Approach to Appropriate Measurement
- Attachment 2: Updated Draft WUE Implementation Funding Principles
- Attachment 3: WUE Program Updates
- Key Outcomes Memorandum for November 5, 2002, Subcommittee Meeting
- Updated WUE Subcommittee Roster

As handouts:

- Draft Fiscal Year 03-04 Proposed Budget and Associated Activities for DWR's Office of Water Use Efficiency
- Draft Description of DWR's Proposed Approach to Science
- DWR Handout on the Department's Grant Funding Efforts
- DWR's Draft Outline: 2004 Water Use Efficiency Proposal Solicitation Package

Materials will, as appropriate, be updated and posted on the CALFED web page.

IV. DISCUSSION SUMMARY

Welcome, Introductions and Updates

The meeting – the sixth of the WUE Subcommittee – began with a brief review of the agenda and self-introductions. A number of WUE Subcommittee members were unable to participate in the meeting due to weather-related travel delays.

Following introductions, participants offered several updates, including:

- **CALFED Authority.** WUE Program Manager Tom Gohring provided an update on the status and implications of the legislation establishing the Authority. The update included the following information:
 - The Authority's governing body – to include a mix of agency heads, BD-PAC representatives and gubernatorial and legislative appointees – is not expected to be convened before April.
 - The Authority's primary mission is to review and comment on agencies' annual work plans and budgets. The Authority does not have the purview to mandate specific agency actions.
 - Recommendations from BD-PAC and its related bodies, such as the WUE Subcommittee, are expected to be forwarded to the Authority for its consideration. The Authority is not expected to replace BD-PAC.

- **December BD-PAC Meeting.** WUE Subcommittee Co-Chair Fran Spivy-Weber provided an update on WUE-related topics discussed at the BD-PAC's December meeting. Her update emphasized BD-PAC's: (1) general acceptance of the agricultural WUE milestones document; and, (2) agreement that WUE staff and others should continue to work through the technical issues identified in the urban certification framework document and described in the 2003 WUE Work Plan. F. Spivy-Weber said both the ag milestones and urban certification proposals will likely need to be brought before the Authority for final approval.

Focus Topic: DWR Briefing on WUE-Related Activities and Funding

The Department of Water Resources' Office of Water Use Efficiency (OWUE) provided an extensive and informative briefing on its water use efficiency-related efforts. Its briefing centered on three main topics: (1) overall funding for the '03-'04 state fiscal year; (2) OWUE's proposed approach to WUE-related science; and, (3) WUE grant funding. Below is a brief summary of the Subcommittee's discussion:

- **OWUE Proposed '03-'04 Budget.** Manucher Alemi provided a detailed overview of his office's proposed funding and activities for the state fiscal year beginning July 1, 2003. His presentation emphasized a number of key points, including an overview of DWR funding by WUE task and source. The presentation highlighted, in particular, the shift of some OWUE activities from General Fund to Prop 50 funds and, with it, an expected shift in staff focus.

The briefing triggered several broad reactions. Subcommittee members complimented DWR for its candor in presenting detailed budgetary information. They also provided several suggestions for reformatting the information to make it more accessible. More broadly, Subcommittee members identified additional information needs and concerns, with the primary comments focused around the following topics:

- Using Prop 50 money primarily to support new and creative CALFED-focused initiatives and not to fund pre-existing DWR functions;
- Providing additional information to and solicit advice from the WUE Subcommittee on specific tasks undertaken by OWUE's staff, particularly those focused on the \$2 million budgeted for technical assistance outside services; and,
- Shifting technical assistance funding to more fully support Prop 50 implementation and science-related activities.

Based on the discussion, M. Alemi is to form a Work Group involving CUWCC Executive Director Mary Ann Dickinson, AWMC Executive Director Mike Wade and the Authority's WUE Program Manager Tom Gohring to further discuss issues raised during DWR's presentation of its '03-'04 budget proposal.

- **OWUE Science-Related Initiatives.** M. Alemi provided an overview of his office's proposed approach to science-related initiatives, emphasizing the two key components of the effort: the proposed Science Application Committee (to be led by DWR OWUE) and the proposed Science Review Panel (to be led by the Authority).

In his comments, M. Alemi said his office's effort is intended to satisfy three primary objectives: (1) assure that the "best" science is used in implementing the WUE-funded activities; (2) monitor and evaluate the flow-path and/or water-quality changes resulting from WUE-funded projects to verify that they are achieving the intended outcomes; and, (3) provide a basis for engaging in adaptive management. He noted that the SAC will not have fixed members.

Subcommittee members were broadly supportive of the proposed approach. M. Alemi requested that stakeholders submit candidate names for the Science Application Committee to him by January 22; there is no specific selection criteria.

- **Draft Outline for 2004 WUE Grant Funding.** Marsha Prillwitz distributed and discussed with the Subcommittee her office's proposed draft outline for the 2004 Water Use Efficiency Proposal Solicitation Package (PSP).

Comments by Subcommittee members touched on several broad themes:

- ***Percentage of funds dedicated to implementation v. other project types.*** Most Subcommittee members strongly endorsed DWR's intention to split funding between implementation and other-type projects, though several participants recommended leaving the exact split flexible. At least one Subcommittee member expressed concern that the funding needs to be directed towards results-oriented projects.
- ***Project selection criteria.*** A number of Subcommittee members strongly recommended that the PSP incorporate different criteria (or at least different criteria weightings) for implementation versus non-implementation projects. This is essential, they said, since non-implementation projects such as education and research will be disadvantaged in articulating and quantifying criteria related to local cost-share and benefits. Similarly, monitoring and assessment criteria needs to be ranked as "appropriate" to the different project categories.
- ***Eligible projects.*** Several subcommittee member recommended that the eligible project list be broadened to more explicitly emphasize non-BMP, implementation-related projects that are designed to foster market-transforming, behavior-changing results. It was further suggested that DWR may want to solicit projects under several categories: implementation-related and non - implementation-related, with the non-implementation projects further segmented into: (1) public information, (2) pilots/technical development, and (3) measurement/programmatic evaluation.

Subcommittee members were asked to submit additional comments or recommendations to M. Prillwitz by January 30. *(Note: DWR has since posted the draft*

PSP outline on their website and requested comments by February 28, 2003). The web site is: <http://www.owue.water.ca.gov/docs/2004psp/2004PSPdraftoutline2-3-03.pdf>.

Appropriate Measurement: Update and Discussion

B. Brooks and T. Gohring briefed the Subcommittee on the current approach and timeline for preparing broadly supportable definitions of appropriate measurement for both agricultural and urban water use. The approach – outlined in Attachment 1 – is intended to develop the broad outlines of a proposed definition by May 2003.

Subcommittee members endorsed the overall approach, though several participants emphasized the need to adhere to the newly revised schedule and, if necessary, separate the agricultural and urban efforts to ensure near-term progress.

T. Gohring agreed to keep the Subcommittee apprised of progress and, when appropriate, seek the Subcommittee's guidance on whether or not to combine the agricultural and urban efforts into a unified discussion. T. Gohring also agreed to convene a stakeholder work group to begin engaging issues related to urban measurement in February. (Note: Participants agreed to an initial meeting date of February 13. That date was subsequently changed due to scheduling conflicts.)

WUE Program and Related Updates

WUE Subcommittee members discussed several other issues related to WUE initiatives. These included:

- **WUE Implementation Funding Policy Principles.** Meeting participants reviewed the draft document, *Water Use Efficiency Implementation Funding Policy Principles and Associated Activities*, and, after making one minor revision, recommended that the document be forwarded to the Bay-Delta Public Advisory Committee (BD-PAC) as an informational item. Co-chairs Fran Spivy-Weber and David Guy are to circulate, via e-mail, a draft cover memorandum to Subcommittee members for their review and comment. The document is intended to inform CALFED Authority, CALFED agency and BD-PAC deliberations related to WUE funding issues.
- **WUE Annual Report.** T. Gohring noted that, due to higher-priority demands, the WUE Program is not intending to prepare a separate detailed annual report but will rather include a summary in its nearly finalized Annual Work Plan.
- **CUWCC Certification Activities.** Mary Ann Dickinson, executive director of the California Urban Water Conservation Council (Council), provided an update on urban certification-related discussions within the Council. As outlined in the Certification Framework document reviewed and approved by the Subcommittee last year, the Council is working to resolve several of the technical issues identified as needing further definition. Based on discussions to-date, M. Dickinson reports the Council is – consistent with the schedule outlined in the Framework – expected to complete its work within the current calendar year.

Public Comments

There were no public comments.

V. NEXT STEPS

Based on the discussions, participants agreed to a series of next steps intended to facilitate the WUE Subcommittee's deliberations. Primary steps include:

- **Subcommittee Meeting Date.** The WUE Subcommittee scheduled its next meeting for Tuesday, March 11. The meeting will likely be held in the Bay Area (East Bay MUD offices) from 9 a.m. to 1 p.m. A final meeting location and time will be set to accommodate Subcommittee members' travel needs and scheduling constraints.
- **WUE Funding Work Group.** DWR's Manucher Alemi is to form a Work Group involving CUWCC Executive Director Mary Ann Dickinson, AWMC Executive Director Mike Wade and WUE Program Manager Tom Gohring to further discuss issues raised during DWR's presentation of its '03-'04 budget proposal. The results of these discussions will be presented at the Subcommittee's March meeting.
- **Urban Measurement.** To begin work on the urban water use measurement deliberations, T. Gohring committed to begin relevant stakeholder discussions in February. A tentative launch date of February 13, from 9 to 1, was agreed to during the meeting. (NOTE: In post-meeting discussions, it was determined that the February 13 date needs to be changed due to key participants' scheduling constraints. A new meeting date will be set, via e-mail.)
- **WUE Implementation Funding Principles.** As noted earlier, co-chairs David Guy and Fran Spivy Weber are to forward the finalized WUE Implementation Funding Principles to the BD-PAC as an informational item. The co-chairs will distribute a draft cover memo, via e-mail, to Subcommittee members for their review and confirmation prior to forwarding the document to the BD-PAC.
- **Other.** In addition to the items listed above, participants agreed to the following next steps:
 - Subcommittee members are to provide candidate names for the Science Application Committee to Manucher Alemi by January 22.
 - Subcommittee members are to provide feedback on DWR's proposed PSP outline to Marsha Prillwitz by January 30. (As mentioned earlier, DWR has since posted the outline on its website and is seeking comment by February 28.)
 - Meeting materials are to be posted on CALFED's web page.

Any questions or comments regarding this meeting and the WUE Element are to be directed to T. Gohring at 916-651-7102.